

April 2018

Employee Retirement Plans and Alleged Breaches of Fiduciary Obligations (CLE)

Allie Rivera

Strategic Retirement Group

Follow this and additional works at: <https://thekeep.eiu.edu/jcba>



Part of the [Collective Bargaining Commons](#), and the [Higher Education Commons](#)

Recommended Citation

Rivera, Allie (2018) "Employee Retirement Plans and Alleged Breaches of Fiduciary Obligations (CLE)," *Journal of Collective Bargaining in the Academy*: Vol. 0 , Article 21.

Available at: <https://thekeep.eiu.edu/jcba/vol0/iss13/21>

This Proceedings Material is brought to you for free and open access by the Journals at The Keep. It has been accepted for inclusion in Journal of Collective Bargaining in the Academy by an authorized editor of The Keep. For more information, please contact tabruns@eiu.edu.

EXECUTING BEST PRACTICES IN HIGHER EDUCATION RETIREMENT PLANS

April 16, 2018

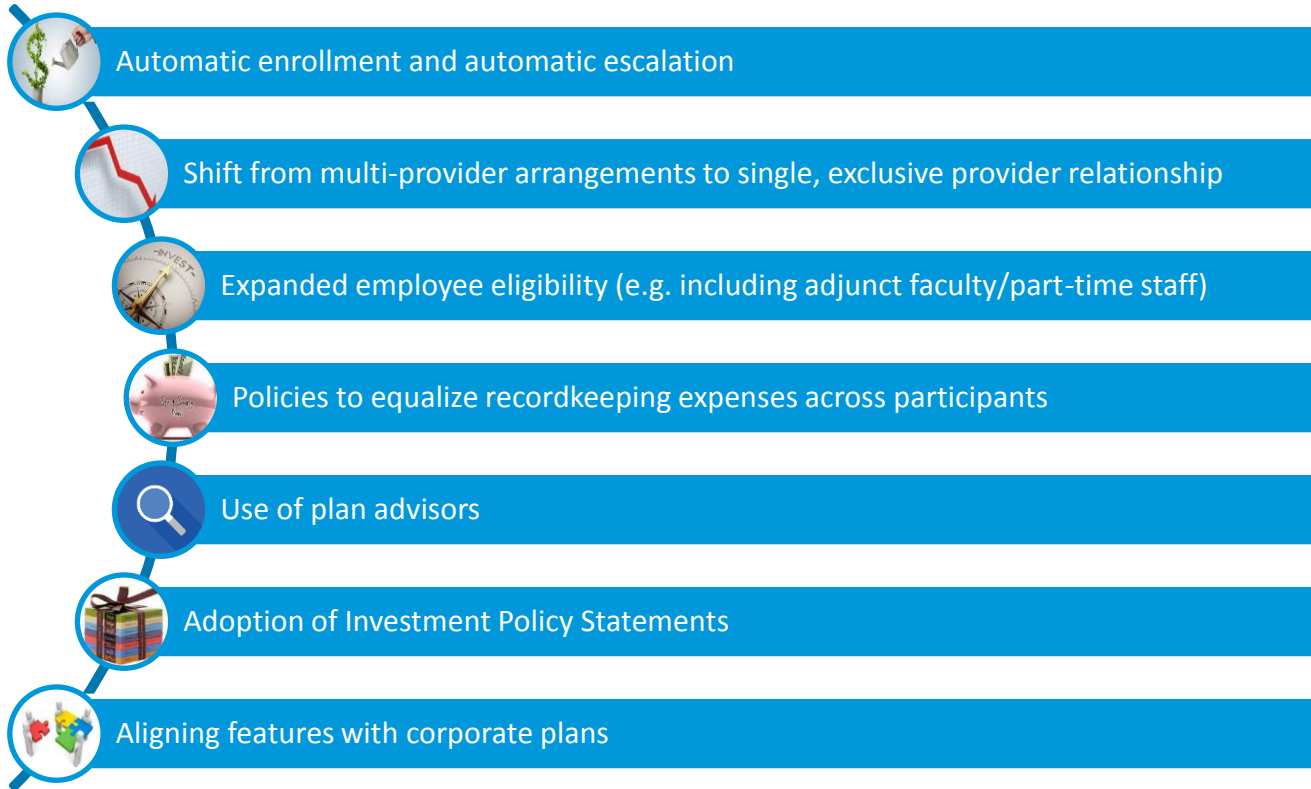
Presented by **Strategic Retirement Group, Inc.**

FIDUCIARY OVERSIGHT

Governance	Investment Policy	Utilization of Advisors
<ul style="list-style-type: none"><input type="checkbox"/> Board resolution<input type="checkbox"/> Establish Committee<input type="checkbox"/> Committee Bylaws<input type="checkbox"/> Defined roles<input type="checkbox"/> Regularly scheduled meetings<input type="checkbox"/> Meeting minutes	<ul style="list-style-type: none"><input type="checkbox"/> Written guidelines in place<input type="checkbox"/> Goals/objectives<input type="checkbox"/> Procedures for selecting/replacing funds<input type="checkbox"/> Addresses QDIA<input type="checkbox"/> Target Date Fund selection and monitoring<input type="checkbox"/> Indemnifications	<ul style="list-style-type: none"><input type="checkbox"/> Independent/objective<input type="checkbox"/> 3(38) or 3(21) Fiduciary<input type="checkbox"/> Defined roles and responsibilities<input type="checkbox"/> Written contract<input type="checkbox"/> No conflicts of interest
Fiduciary Process	Investment Menu	Investment Communication
<ul style="list-style-type: none"><input type="checkbox"/> Annual review of investment policies<input type="checkbox"/> Ongoing monitoring of investments/fees<input type="checkbox"/> Fee benchmarking and RFPs<input type="checkbox"/> Fiduciary education and training<input type="checkbox"/> Documentation- Fiduciary Vault	<ul style="list-style-type: none"><input type="checkbox"/> Opportunity to maximize gains<input type="checkbox"/> Sufficient diversification<input type="checkbox"/> Provide ability to minimize risks of large losses<input type="checkbox"/> 404(c) compliance<input type="checkbox"/> Target Date Funds<input type="checkbox"/> QDIA selection	<ul style="list-style-type: none"><input type="checkbox"/> Investment fact sheets<input type="checkbox"/> Education program documented annually<input type="checkbox"/> Required participant notices<input type="checkbox"/> Participant fee disclosure<input type="checkbox"/> Ongoing participant feedback

A sound fiduciary process helps manage risk to the organization and personal risk to executives and Board members

TRENDS IN HIGHER EDUCATION



BEST PRACTICES

1. Update fiduciary structure and process
2. Conduct periodic fiduciary training
3. Conduct and document quarterly due diligence meetings
4. Review plan documents and agreements
5. Identify and implement administrative efficiencies
6. Consolidate plans, if applicable
7. Benchmark plan features against industry and regional peers
8. Negotiate administrative fees
9. Conduct provider competitive bidding process, if appropriate
10. Consolidate to single provider arrangement, if applicable
11. Freeze individual annuity contracts, if applicable
12. Upgrade plan investment menu and default investment option
13. Replace any underperforming funds and add low-cost index funds
14. Change funds to least expensive/most efficient share class and implement fee leveling



Allie C. Rivera, CFA

Senior Consultant & Director of Investment Consulting

arivera@srg-consulting.com

914-220-6192

Allie is a Senior Consultant and Director of Investment Consulting for Strategic Retirement Group. Allie is responsible for SRG's investment process which includes thoughtful and rigorous due diligence of investment managers, disciplined oversight of 403(b) and 401(k) investment menus, and ongoing analysis of economic conditions and other external factors impacting retirement plans. In addition to managing the investment process, Allie meets regularly with plan sponsors to ensure fiduciary responsibilities are being met and plan features are being optimized. Prior to joining SRG in 2014, Allie gained retirement plan consulting experience as an analyst at Katz, Zlotnick & Associates where her primary responsibilities included investment due diligence and plan benchmarking projects. In 2012, Allie graduated from Gettysburg College with a BA in Mathematics and in 2013, she passed the CFP examination. Allie has been a CFA® charterholder and a member of the CFA Institute since 2016. She holds FINRA Series 7, 63 and 65 registrations.

DISCLOSURES

This document attempts to provide only broad general guidelines and information that can be used to help you shape your employee retirement benefit plan. The charts and other data contained in this document shall be dependent upon the quality and accuracy of plan information supplied by service providers, investment firms and reporting companies. All information and opinions will be for general informational purposes only and should not be considered an individualized recommendation or personalized investment advice. The information will not assess the suitability, or give any assurance about the potential value, of any particular investment.

All information and opinions are for general informational purposes only and should not be considered an individualized recommendation or personalized investment advice. All calculations are estimates only and are not guaranteed against market gains or losses. The type of securities mentioned may not be suitable for everyone. Each investor needs to review a security transaction for his or her own particular situation. This information does not assess the suitability, or give any assurance about the potential value, of any particular investment. Data contained here is from what are considered reliable sources; however, neither Strategic Retirement Group guarantees its accuracy, completeness, and/or reliability. Prospectuses containing complete information including management fees, charges, and expenses for mutual funds have been provided. Please read the prospectuses carefully before investing. Of course, when you are investing in mutual funds, there is no guarantee that a fund's investment objective will be met, and you should understand that the principal value of mutual fund investment will fluctuate and may be worth more or less than your original purchase price. Past performance of any investment product does not guarantee future results.

Your attorney and accountant should be consulted regarding legal and tax implications.

Securities offered through LPL Financial, Member FINRA/SIPC. Investment Advice offered through Strategic Retirement Group, Inc., a Registered Investment Advisor and separate entity from LPL Financial.